

Hearing Date: October 3, 2007 at 10:00 a.m.

Objection Deadline: October 1, 2007 at 12:00 p.m. (by consent of the Debtors)

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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

	:	Chapter 11
In re:	:	
DELPHI CORPORATION, et al.,	:	Case No. 05-44481 (RDD)
	:	
Debtors.	:	(Jointly Administered)
	:	
	:	

**LEAD PLAINTIFFS' RESPONSE TO DEBTORS' MOTION FOR ORDER
APPROVING (I) DISCLOSURE STATEMENT, (II) RECORD DATE, VOTING
DEADLINE, AND PROCEDURES FOR TEMPORARY ALLOWANCE OF
CERTAIN CLAIMS, (III) HEARING DATE TO CONSIDER CONFIRMATION
OF PLAN, (IV) PROCEDURES FOR FILING OBJECTIONS TO PLAN, (V)
SOLICITATION PROCEDURES FOR VOTING ON PLAN, (VI) CURE CLAIM
PROCEDURES, (VII) PROCEDURES FOR RESOLVING DISPUTES RELATING
TO POSTPETITION INTEREST, AND (VIII) RECLAMATION CLAIM
PROCEDURES**

Teachers' Retirement System Of Oklahoma, Public Employees'
Retirement System Of Mississippi, Raiffeisen Kapitalanlage-Gesellschaft m.b.H. and
Stichting Pensioenfonds ABP, the Court-appointed Lead Plaintiffs (the "Lead Plaintiffs")
in the consolidated securities class action entitled *In re Delphi Corp. Securities Litigation*,
Master Case No. 05-md-1725 (GER) (E.D.Mich.) (the "Securities Litigation"),

respectfully submit this Response to the Debtors' Motion For Order Approving (i) Disclosure Statement, (ii) Record Date, Voting Deadline, and Procedures for Temporary Allowance of Certain Claims, (iii) Hearing Date to Consider Confirmation of Plan, (iv) Procedures for Filing Objections to Plan, (v) Solicitation Procedures for Voting on Plan, (vi) Cure Claim Procedures, (vii) Procedures for Resolving Disputes Relating to Postpetition Interest, and (viii) Reclamation Claim Procedures. In support of this Response, Lead Plaintiffs respectfully state as follows:

RELEVANT BACKGROUND

1. On October 8 and 14, 2007 (collectively, the "Petition Date"), the Debtors filed voluntary petitions for relief pursuant to chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"). The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

2. Lead Plaintiffs are, and represent, creditors, equity holders and parties-in-interest in the Debtors' chapter 11 cases. Lead Plaintiffs and the putative class suffered damages substantially in excess of \$1 billion as a result of their purchases of certain of the Debtors' common stock and debt securities between March 7, 2000 and March 3, 2005 (the "Class Period"). These damages were caused by the Debtors, certain of their current and/or former directors and officers and others in the context of the concealment and misrepresentation of the true financial condition of the Debtors before and during the Class Period.

3. Over the course of several months in 2007, Lead Plaintiffs, the Debtors and other parties to the Securities Litigation, with the assistance of a special master appointed by the United States District Court for the Eastern District of Michigan (the "District Court"), conducted discussions and negotiations regarding a settlement of the Securities Litigation. On August 31, 2007, those discussions resulted in an agreement resolving the

Securities Litigation as to the Debtors and certain other defendants. On August 31, 2007, the proposed settlement was submitted to the District Court for preliminary approval and for scheduling a final fairness hearing. On September 5, 2007, the District Court granted preliminary approval of the proposed settlement, and scheduled a final fairness hearing for November 13, 2007.

4. On September 7, 2007, the Debtors filed a motion with this Court seeking approval of the proposed settlement pursuant to, *inter alia*, Rule 9019 of the Federal Rules of Bankruptcy Procedure (the “Rule 9019 Motion”). A hearing on the Rule 9019 Motion is currently scheduled for October 3, 2007.

5. Contemporaneously with resolving the Securities Litigation, the Debtors prepared their disclosure statement (the “Disclosure Statement”) and plan of reorganization (the “Plan”). Lead Plaintiffs provided the Debtors with numerous comments to the Disclosure Statement and Plan, several of which were incorporated into the Disclosure Statement and Plan that were filed with the Court on September 6, 2007.

RESPONSE AND RESERVATION OF RIGHTS

6. Although the current version of the Disclosure Statement addresses several of Lead Plaintiffs’ concerns, it does not address all of them. On or about September 17, 2007, Lead Plaintiffs provided the Debtors with proposed revisions intended to address the balance of Lead Plaintiffs’ concerns with the current version of the Disclosure Statement. Most of these changes were intended to insure consistency between the Disclosure Statement and Plan and the Stipulation of Settlement that is a subject of the pending Rule 9019 Motion. After recent discussions among counsel for the Debtors and bankruptcy counsel for the Lead Plaintiffs, the Debtors agreed to revise the Disclosure Statement (along with any conforming changes to the Plan) to address most of Lead Plaintiffs’ suggestions reflected in the September 17, 2007 communication. The parties have not yet been able to reach agreement on two of Lead Plaintiffs’ proposed revisions to

the Disclosure Statement and Plan involving third party releases and certain conditions to the effectiveness of the Plan. Discussions among the parties are continuing and Lead Plaintiffs are hopeful that all of their concerns with the Disclosure Statement will be resolved by consent before the October 3, 2007 hearing or any subsequent adjourned date for the hearing to approve the Disclosure Statement.

7. Lead Plaintiffs have not yet been provided with a proposed blackline of the Disclosure Statement to review the proposed changes to the Disclosure Statement filed with the Court on September 6, 2007. To the extent Lead Plaintiffs' outstanding concerns with the Disclosure Statement are not resolved on or prior to the hearing on October 3, 2007 or any adjourned date, Lead Plaintiffs reserve the right to raise any and all remaining objections to the Disclosure Statement at the hearing.

Dated: October 1, 2007
New York, New York

Respectfully submitted,

LOWENSTEIN SANDLER PC

By: /s/ Michael S. Etkin

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